

Natural Resources Conservation Service 1201 NE Lloyd Blvd., Suite 900 Portland, OR 97232

October 19, 2007

OREGON BULLETIN NO. OR- OR300-2008-2

SUBJECT: LTP – FY2008 ENVIRONMENTAL QUALITY INCENTIVES PROGRAM (EQIP) PROGRAM CHANGES AND NOTES

<u>**Purpose.**</u> To provide information to NRCS Oregon Field Offices on a number of changes to the FY2008 EQIP program and ProTracts.

Expiration Date. September 30, 2009.

This bulletin is a selection of brief items provided for information regarding changes to EQIP for FY2008, specifically the CCC-1202 Appendix and ProTracts.

Producer Eligibility:

FTE: The ProTracts producer eligibility screen now contains a block for "FTE" eligibility. FTE is Farm Tract Eligibility. This block is the sum of HEL, PC, and PCW. This will enforce the need to have an association between participant and the land on new contracts. The default for FTE is "N". Field Offices should click on Update Eligibility on the participant screen to change to the FTE to "Y" in most cases. If HEL, PC, and PCW flags are not set properly, the FTE will remain at "N" and will need to be addressed through FSA.

AD-1026: An AD-1026 must be filed and "YES" for all greater than 0% participants for 2005 and later EQIP contracts.

Beginning Farmer/Limited Resource Producer: Oregon has set up an automatic increase in the practice payment lists that will result in net value of 65% of costs to the producer. IMPORTANT: Field Offices MUST select BF or LRP when entering the application. Once an application has been promoted to a contract, this status CANNOT be modified.

Participant Date Signed: Field offices must now enter the date the producer signs the CCC-1202 as well checking the signature box. This will verify signatures in the proper order on the contract (producer, DC, BTL in that order) and ensure that signatures have been obtained. NOTE: The Date CCC-1202 signed box is not active until the application is promoted to Approved.

FY2002 Contracts: There is no cost overrun account for FY2002 contracts. Modifications to these contracts that involve an increase in funds must come out of the current year allocation.

CCC-1202 Appendix: New Appendices for all ProTracts cost-share programs (CSP, EQIP, and WHIP) are available on the ProTracts site under Forms. The EQIP appendix contains several wording changes and additions that you should review.

- All 2008 applicants must sign the Appendix dated 10/2007.
- Section 3(7) Notes acceptance by producer of NRCS-CPA-1155 as part of the contract as written with no authority for NRCS to compensate the producer for items not listed.
- Section 3(14) Makes clear producer is responsible for notifying NRCS within 60 days of land transfer of an eligible transferee who is willing to accept contract.
- Section 4 New section referencing the incorporation of the Conservation plan as part of the contract.
- Section 5B. Allows adjustment of payment for practice installed on or ahead of schedule at potential higher rate. BASED ON FUND AVAILABILITY. Practices that have been modified forward are NOT eligible.
- Section 5F Explains procedures for improper payments.
- Section 8C References the current ability to unilaterally modify the contract (subject to fund availability) for increases of less than \$1,000.
- Sections 10 & 11 Contract Termination & Recovery of Cost Field offices are still required to specifically refer producers to these sections and have the producer initial items 10 and 11 at time of contract signing.
- Section 13F. Lists those items considered part of the Contract.

Adjusted Gross Income (AGI): AGI authority expired on 9/30/2007. Until further notice, you are still required to obtain this information from the producer. Because the authority has expired, lack of AGI eligibility will not prevent obligation.

If you have any questions, please call Louise Davis, 503-414-3230

/signed/

BILL WHITE Leader for Programs

cc via website:

http://www.or.nrcs.usda.gov/intranet/bulletins/bulletins07-08.html http://www.or.nrcs.usda.gov/intranet/bulletins/